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WELD-CELLUCCI ADMINISTRATION TALKING POINTS

DOWNSIZING GOVERNMENT

August 3, 1995

Today, Governor William Weld delivered a speech to the Pioneer Institute outlining his vision for downsizing and restructuring state government.

BACKGROUND:

Governor Weld and Lt. Governor Cellucci announced today that they are conducting a massive downsizing and restructuring review of state government. Their goal is not solely to make bureaucracies more efficient or to "reinvent" government, it is to examine the proper role of government in people's lives.

In their first term, Weld and Cellucci got Massachusetts' fiscal house in order, eliminated the deficit, and cut taxes. They reduced the state workforce by 8,000. They reformed the way the state handled criminals and welfare. Massachusetts is a different place than it was in 1991. Yet every year, despite their efforts, the Commonwealth's tax receipts and therefore its budget has gone up. That is not acceptable. They went as far as they could with the existing structure. It is time to knock the structure down and rebuild.

THEMES:

In 1950, the federal tax burden on the average family was 2%. Today, the burden is now 12 times that amount -- a full quarter of what they earn. Add state and local taxes, and 40% of a family's income goes to government -- that's more than what goes to pay the mortgage. In fact, it is not until May 8th, every year, before a family stops paying government's bills and starts paying their own.

Government is so expensive today because its ballooning expectations are that it should save jobs, support sagging industries, boost self-esteem, teach parenting skills, construct ice-skating rinks, insure crops against early frosts, etc.

Contrast those expectations of government with the modest ones of our framers. They intended that government should secure men's inalienable rights to life, liberty, and the pursuit of happiness.

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How did government get so big and ugly? Under the cover of benevolence, our tax dollars have become a field day for the special interests.

Governor Weld and Lt. Governor Cellucci believe state government should meet a few basic functions:

1) Government should protect people from being injured by other people or by physical disasters.

2) Government ought to protect those who are otherwise helpless. Not those who don't want to work -- those who can't.

3) Government ought to protect certain physical assets that need to be held in common, everything from open space to roads and bridges.

As we look at the functions currently performed by state government, our first question ought to be, "Should government do this?" and then "Should state government do this?"

Weld and Cellucci don't hate government, but they want to create the conditions of prosperity through spending less and taxing less.

EXAMPLES:

- Today, if a program fails flagrantly, government does not get rid of it, it creates another program. That is how Massachusetts wound up with 23 separate agencies that serve the disabled and 41 separate job training programs.

- The Department of Education has 400 employees, many of which spend their days doling out dozens of different grants -- each of which has a grant administrator, a separate application process, etc. Do we need an Education Secretariat, a Board of Education, and a behemoth bureaucracy?

- We reformed regulations in '91 and '93 and the C.M.R. still has 25,000 pages. We were asking the wrong question: "What regulations can we cut?" -- instead of "What regulations are necessary?"

- The Alcoholic Beverage Control Commission (ABCC) forces wholesalers to advertise their prices and if they lower their prices within 30 days then they are heavily fined. The consumer certainly does not benefit from this government function.

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